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U.S. House of Representatives Committee on Ways and Means Subcommittee on Select Revenue Measures April 26, 2012 - Hearing on Certain Expiring Tax Provisions

Comments Submitted for the Record

Executive Summary:

- 1. Wind and solar power are not "green". They can actually result in higher fossil fuel usage and higher emissions.
- 2. They don't replace oil, or even coal power.
- 3. They are intermittent, and don't replace conventional power plants.
- 4. They don't create jobs. In fact their huge costs drain money from consumer spending and create a net loss of jobs.
- 5. They create far more pollution overseas.
- 6. There are better ways to improve our energy sources and combat global warming.

Supporting Statements:

- 1. Texas has 2300 wind turbines. Because the grid has to throttle up and down to compensate for the intermittency of wind, a comprehensive study done by their Electric Reliability Council concluded that this power actually caused them to burn more fossil fuels and emit more carbon, not less. This is similar to driving your car in traffic instead of on the highway. (See ERCOT Bentek IV study.)
- 2. Wind and solar don't replace oil; oil is used for transportation. And they don't reduce the use of coal power, because coal plants are not flexible enough to compensate for their daily fluctuations. They replace hydroelectric if available, and after that, natural gas.
- 3. They don't replace a single conventional power plant, because those plants need to be there for when the wind doesn't blow or the sun doesn't shine. And they create a large blight on the landscape and oceans, while producing only a relative trickle of power. (It would take 30,000 wind turbines just to power Manhattan.)
- 4. The increased costs reduce domestic employment. First, there is the cost of the PTC, which diverts even more money from our deficit budget. But after that, they drain even more from the economy because of the double and triple electric rates they are subsidized with. All this money is subtracted from consumer spending, which is 70% of our economy.
- 5. By making U.S. manufacturing less competitive, more production gets shifted to countries like China. But China produced 10 billion tons of carbon last year compared to 5.9 billion tons in the U.S., but with a GDP of one third of ours. On a

macro basis, that means China produces about 5 times as much pollution per GDP dollar as we do. And the difference is growing.

Global warming is largely a result of the massive pollution caused by having our products manufactured in China, along with pollution from agriculture and the destruction of forests that degrade the ability of the oceans and the land to absorb carbon and produce oxygen. If global pollution, and jobs for Americans, are issues that really concern us, we would be far better served by imposing a level carbon tax on all production, including imports, to be revenue neutral by including an equivalent offset in the income tax.

Let's focus on getting our economy competitive again. Renewables and ethanol are not the answer. They drain tax revenues further while we face a huge deficit. All energy subsidies should stop. People can offset their energy costs with conservation, and the energy market will use its ingenuity to produce cleaner, reliable energy for the future.

Respectfully submitted,

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